

Watson 149375



Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Daniels Manufacturing Corporation

File: B-253637

Date: June 7, 1993

George G. Daniels for the protester.

DIGEST

General Accounting Office will not review a bid protest challenge to an agency's intention to perform a manufacturing effort in-house instead of contracting with the private sector where no competitive solicitation has been issued for cost comparison purposes since the matter is one of executive branch policy.


DECISION

Daniels Manufacturing Corporation protests the Department of the Army's procurement of certain component items under request for proposals No. DAAH01-93-R-A214. Daniels asserts that the components will be used by the Army's Redstone Arsenal to manufacture an electrical connector maintenance kit for the Hawk missile. The protester contends that such manufacture would be improper because Office of Management and Budget Circular A-76, which sets forth the executive branch's preference for acquiring goods and services from the private sector and establishes a cost-comparison procedure to be used to determine whether an agency should perform services in-house or acquire them under contract, requires that the agency contract with the private sector for this effort.

Circular A-76 sets forth executive branch policy, and an agency decision to perform services in-house rather than under contract therefore simply is a matter of executive branch policy. We generally do not review compliance with policy, as opposed to law and regulations, under our bid protest function. Although we do review decisions not to contract out when they are based on a competitive solicitation pursuant to which the government makes a cost comparison to determine whether in-house performance or contracting out will be less expensive, Ameriko Maintenance Co., B-243728, Aug. 23, 1991, 91-2 CPD ¶ 191, here the agency simply is manufacturing the kit in-house and has not issued a cost-comparison solicitation for the kit.

Accordingly, the matter is not one that we review. M&M
Servs., Inc., B-242123, Dec. 10, 1990, 90-2 CPD ¶ 477;
Techniarts Eng'g, B-243045, Mar. 5, 1991, 91-1 CPD ¶ 250.

The protest is dismissed.


Ronald Berger
Associate General Counsel